

FOR IMMEDIATE RELEASE No. 281 – July 7, 2020

For more information contact:
Otie McKinley

\$15 Million in Agricultural Safety Grants to Provide Critical Relief to Michigan's Farms and Food Processors

LANSING, MICH. Fifteen million dollars in economic assistance for Michigan farms and agricultural processors, to mitigate risks of the COVID-19 virus across the state's food production industry, gained approval from the Michigan Strategic Fund, the Michigan Economic Development Corporation (MEDC) and the Michigan Department of Agriculture and Rural Development (MDARD) announced today.

"Michigan's food and agriculture sector has been especially hard hit by the COVID-19 virus, and this investment will provide critical resources to ensure the safety of the state's food production industry and its workforce," said Governor Gretchen Whitmer. "We can further our economic recovery in the state by putting federal dollars through the CARES Act to work for the people and business across Michigan through efforts like these grants to farms and food processors."

In response to the economic impact of COVID-19, the State of Michigan has appropriated \$15 million of federal CARES Act funding through SB 690, signed into law by Governor Whitmer last week, to implement the <u>Michigan Agricultural Safety Grant Program</u>. These grants will provide much needed funding to Michigan's agricultural processors and farms in support of this critical industry in the state.

The Michigan Agricultural Safety Grants are divided between agricultural processors and farms:

- \$10 million in grants will be provided to processors statewide, with a minimum grant of \$10,000 and a maximum grant of \$200,000.
- \$5 million in grants will be available to farms statewide, with a minimum grant of \$10,000 and a maximum grant of \$50,000.

Applicants must apply as either a processor or a farm – but not both – and funds will provide grants of up to \$1,000 per employee to fund COVID-19 mitigation costs, including but not limited to testing costs, personal protection equipment, facility needs, increased sanitation costs, employee training, and upgraded safety procedures for farm-provided housing.

"Employee testing and PPE continue to be a great need both on the farm and in the processing industry," said MDARD Director Gary McDowell. "These financial resources will provide much-needed services and equipment to an already struggling sector. Having adequate testing and PPE is critical to ensuring the

safety of Michigan's food and agriculture workforce—whether domestic or migrant labor—as well as maintaining a safe and wholesome food supply."

The program will cover costs incurred from June 1, 2020 through September 15, 2020 and eligible applicants will be able to apply for funding beginning on July 15, 2020. Grants will be awarded on a first come, first serve basis until all funding has been awarded.

Applications will be processed by East Lansing-based GreenStone Farm Credit Services, one of America's largest rural lenders, including 31 branches in Michigan. GreenStone has a 100-year track record providing financial services to the agricultural industry – including short, intermediate and long-term loans, equipment and building leases, life insurance, crop insurance, accounting and tax services.

GreenStone will host the application portal, complete an initial screening of all applications and supporting documentation and recommend applications to the MEDC for final approval and disbursements of the grants awarded. GreenStone will also provide a report to the MEDC of all applications that were denied in the review process. The authorizing legislation for the program also requires reporting on October 15, 2020 to the Legislature and State Budget Office on the Agricultural Safety Grant Program's results, and that report will also be available on michiganbusiness.org/agsafety.

"The foundation of GreenStone is built on supporting rural communities and agriculture. That means more than the loan products and financial services we provide, and this partnership with MEDC is a special opportunity to help all of agriculture," said Dave Armstrong, President and CEO of GreenStone Farm Credit Services. We are pleased to have the depth of experience and relationships with our members to know we can meet the needs of this program to benefit the many farmers and agribusinesses feeling the effects from the Coronavirus pandemic."

To qualify for grant support, applicants must be a farm or agricultural processor located in Michigan and meet the following requirements:

- A minimum of 10 employees in Michigan, with supporting documentation.
- Provide proof of good standing with the state of Michigan, as applicable (Certificate of Good Standing).
- Attest that the business is current on all state, local and real estate taxes, or is otherwise contesting them in good faith.

"We are continuing to leverage every resource available – whether federal, state or local – to ensure our small businesses across Michigan are able to receive the support they need to not only survive COVID-19, but be in a position to thrive and drive economic recovery moving forward," said Mark A. Burton, CEO of the Michigan Economic Development Corporation. "Working in partnership with MDARD and GreenStone, we are confident we can get this critical support into the hands our farms and agricultural processors quickly and effectively to keep our workers and our food supply safe."

According to MDARD, food and agriculture contributes \$104.7 billion annually to Michigan's economy, and represents 805,000 jobs statewide. Additionally, Michigan exports approximately \$1.8 billion of food and agriculture products each year.

"The health and well-being of employees is the top priority for Michigan's agribusinesses, and these new grants support ongoing safety efforts across our state's agriculture sector," said Chuck Lippstreu, president of the Michigan Agri-Business Association. "We applaud the Governor and leaders in the Legislature for working together on a bipartisan basis to secure this critical funding, providing welcome assistance for businesses across Michigan agriculture."

The Michigan Strategic Fund today also approved the Michigan Small Business Restart Program, which will provide a total of \$100 million to small businesses in Michigan as they work to reduce the negative economic impact of the ongoing COVID-19 crisis. The grants will be administrated by 15 regional economic development organizations throughout the state, which combined cover all 83 counties in

Michigan. To learn more, visit here: https://www.michiganbusiness.org/press-releases/2020/07/michigan-small-business-restart-program-to-provide-\$100-million-in-grants-for-covid-19-recovery-efforts.

With today's action by the MSF Board, the MEDC has launched 17 COVID-19 relief and recovery programs supporting more than 3,100 business in the state and helping to retain more than 12,400 jobs across all 83 counties. To learn more about MEDC's COVID-19 response programs and the impact they are having on economic recovery efforts, visit michiganbusiness.org/covid19response. Other resources for economic reopening efforts as well as businesses across Michigan struggling with economic losses as a result of the COVID-19 virus can be found online at michiganbusiness.org/covid19. The MEDC has also developed a FAQ for Michigan businesses and communities at michiganbusiness.org/covid19-faq.

Information around this outbreak is changing rapidly. The latest information is available at Michigan.gov/Coronavirus and CDC.gov/Coronavirus.

###

About Michigan Economic Development Corporation (MEDC)

The Michigan Economic Development Corporation is the state's marketing arm and lead advocate for business development, job awareness and community development with the focus on growing Michigan's economy. For more information on the MEDC and our initiatives, visit www.MichiganBusiness.org. For Pure Michigan® tourism information, your trip begins at www.michigan.org. Join the conversation on: Facebook, Instagram, LinkedIn, and Twitter.

About GreenStone Farm Credit Services

Headquartered in East Lansing, GreenStone Farm Credit Services is Michigan and northeast Wisconsin's largest agricultural lender and one of the country's largest associations in the Farm Credit System. A member-owned cooperative, GreenStone owns and manages \$10 billion in assets and serves over 25,000 members with 36 branch locations. More information on GreenStone is available at www.greenstonefcs.com.

GreenStone provides financial services to the agricultural industry - including short, intermediate and long-term loans, equipment and building leases, life insurance, crop insurance, accounting and tax services. GreenStone also specializes in residential and country home loans, and provides lending products for the purchase, improvement, construction or refinance of residences along with financing future home sites and recreational land.